IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 167 of 2006
In
COMPANY APPLICATION No. 386 of 2006

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

==========

1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

==========

GUJARAT AMBUJA CEMENTS LTD. - Petitioner(s)
Versus
.. - Respondent(s)

==========

Appearance :
MR TANVISH U BHATT for Petitioner(s) : 1,
MR PURVISH J MALKAN for Respondent(s) : 1,

==========

CORAM : HONOURABLE MR.JUSTICE M.R. SHAH
Date : 21/11/2006

ORAL JUDGMENT

This petition is filed by the petitioner company, i.e., Gujarat Ambuja Cements Ltd for sanction of scheme of arrangement/amalgamation of Ambuja Cement Eastern Limited (Transferor

Company) with Gujarat Ambuja Cements Limited (Transferee Company) under Section 391 read with Section 394 of the Companies Act, 1956. It is submitted by the petitioner that Transferor Company, Ambuja Cement Eastern Limited is engaged in the business of manufacturing, export, import and dealing in all kind of cement ordinary, white, coloured, Portland, Pozzolana Alumina, Blast furnace, Silica and all other varieties of cement, lime and limestone, clinker and/or by-products thereof. It is submitted that proposed amalgamation will generate synergy in the Transferor Company's operation and it will be able to fully benefit from the efficiencies and technical standards of the Transferee Company. It is further submitted that the proposed amalgamation will enable the Transferee Company to expand its markets into the eastern and north-eastern regions of India. It is further submitted that nobody will be prejudiced by the proposed amalgamation.

2. Separate meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Transferee Company for considering and, if thought fit, approving, with or without modification(s), the scheme of arrangement in the nature of amalgamation were convened pursuant to the order passed by the learned Single Judge of this Court dated 20.7.2006 passed in Company Petition No. 386 of 2006 and on 22.8.2006 in the said meetings the Equity Shareholders, Secured Creditors and Unsecured Creditors of the petitioner company have approved the Scheme of Arrangement in the nature of amalgamation. The result of the said meeting/report submitted by the Chairman of the said meetings is already placed on record [264-289].

3. After the petitions were admitted on 4.9.2006, the same were duly advertised in the

newspaper viz. Indian Express (English Newspaper circulated in Junagadh) and Phulchhab (Gujarati News Paper circulated in Junagadh) and the publication of the advertisement in the Government Gazette was dispensed with as directed in the order dated 4.9.2006. No one has come forward with any objections to the petition even after the said publications.

4. Notice of the petition was served upon the Central Government and the learned Additional Standing Counsel has placed on record the letter dated 17.11.2006 issued by the Regional Director wherein it is stated in view of the Affidavit dated 14.11.2006 filed by the petitioner company, it has been decided not to oppose the above petition. Shri Tanvish Bhatt, learned advocate appearing on behalf of the petitioner Company has therefore requested that in view of the aforesaid facts the petition may be allowed.

5. I have heard Shri Tanvish Bhatt, learned advocate appearing on behalf of the petitioner Company as well as Shri Malkan, learned counsel appearing for the Central Government. Considering the averments in the Company Petition, letter addressed by the Regional Director, Mumbai, and considering the proposed Scheme of Amalgamation, it appears to the Court that amalgamation would be in the interests of the Companies, their shareholders and creditors and therefore prayers in terms of Paragraph 34(a) to (d) are hereby granted.

6. This petition is accordingly disposed of. So far as the cost to be paid to the learned Additional Standing Counsel for the Central Government is concerned, the same is quantified at Rs. 3,500/- and the same shall be paid to Shri Malkan, learned Additional Central Government Standing Counsel, by the Company.

[M.R. Shah, J.]

rmr.